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FOR IMMEDIATE RELEASE

Terry Goddard Announces Settlement with Pharmaceutical Company for Improper "Off-Label" Marketing

(Phoenix, Ariz. – May 13, 2004) Attorney General Terry Goddard today announced a Consumer Protection settlement with Warner-Lambert resolving allegations of deceptive "off-label" marketing of its blockbuster drug – Neurontin©.

This nationwide settlement includes all 50 states and resolves investigations by the National Association of Medicaid Fraud Control Units and the U.S. Attorney's Office out of Boston. In total, Warner-Lambert will pay $430 million dollars under these settlements including $38 million dollars, of which $28 million will be used to fund a remediation program and $10 million will go directly to the States. Arizona will receive a minimum of $278,000 from these proceeds.

The remediation program includes a National Advertising Program to provide physicians and other prescribers with fair and balanced information about Neurontin and other drugs in its therapeutic class. A portion of the settlement will also be used to fund a Prescriber and Consumer Education Program, which will provide prescribers and/or consumers with fair and balanced information about drugs.

The investigation focused on allegations that Warner-Lambert violated state consumer protection laws by promoting Neurontin for various "off-label" indications – including various psychiatric disorders, back pain, and headache – even though the scientific evidence supporting the drug's use in such situations was lacking. Neurontin is approved by the Food and Drug Administration ("FDA") to treat epilepsy and certain nerve pain which can occur after Shingles (post-herpetic neuralgia). Approximately 90 percent of Neurontin prescriptions, however, are for "off-label" purposes.

"The settlement today sends a message to all drug manufacturers that they cannot exalt profits above truth," Goddard said. "Profits cannot come before patients' health. Drug Companies will be prosecuted whenever they deceive doctors into prescribing useless drugs do nothing to make patients better."

Among the methods used by Warner-Lambert to deceptively promote Neurontin included:

- continuing medical education classes ("CMEs") that lacked fair balance and misrepresented the nature of the CME

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- providing expensive “perks” to attending physicians
- creating a “publication strategy” that subsidized the production and dissemination of anecdotal reports favorable to “off-label” use of Neurontin that were of no scientific value
- providing payments to prescribers for “research” that was, in effect, a kickback for “off-label” prescribing; and
- providing incomplete information about Neurontin to the drug reference compendium “Drugdex”

The settlement forbids Warner-Lambert and its corporate parent Pfizer Inc. from doing the following:

- making false, misleading or deceptive oral or written claims about Neurontin and from promoting “off-label” uses in violation of the federal Food, Drug and Cosmetic Act
- misrepresenting the scientific evidence relating to Neurontin
- disseminating written materials that have not appeared in peer reviewed scientific journals
- misrepresenting the credentials of sales, medical and technical personnel whose job was to convince physicians to prescribe Nerontin for “off-label” use
- providing misleading or incomplete information regarding Neurontin’s “off-label” use to the drug reference compendia
- violating Federal anti-kickback laws

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